IN THE CLAIMS

Please amend the claims as follows:

1 - 13. (Cancelled)

14. (Currently amended) An automated stock storage and retrieval system comprising a static storage area, a circulating storage area and stock transfer means for transferring items of stock from an input area to [[a]] either said static storage area or said circulating storage area based on a decision made by controlling software, and for subsequently retrieving said items of stock, the ~~system further comprising an apparatus for storing and dispensing of a plurality of items of stock~~ circulating storage area comprising a plurality of storage regions and a dispensing station, wherein said storage regions are arranged to circulate around a continuous path such that each storage region is periodically brought into alignment with the dispensing station so as to allow items to be removed from the storage region at the dispensing station~~; wherein the stock transfer means is arranged selectively to load items onto either said circulating storage regions or said static storage area~~.

15. (Previously presented) A system as claimed in claim 14 wherein the circulating storage apparatus is configured to allow items to be placed manually in its storage regions.

16. (Previously presented) A system as claimed in claim 14 comprising more than one dispensing station.

17 - 23. (Cancelled).

24. (Previously presented) A system as claimed in claim 14 wherein the storage regions are physically delimited.

25. (Previously presented) A system as claimed in claim 14 wherein the storage regions comprise at least one shelf.

26. (Previously presented) A system as claimed in claim 25 wherein said shelf or shelves is/are reconfigurable in width and/or height.

27. (Previously presented) A system as claimed in claim 14 wherein the dispensing station comprises means for removing items from the storage regions.

28. (Previously presented) A system as claimed in claim 27 wherein said means for removing items is arranged to operate by a pushing action.

29. (Previously presented) A system as claimed in claim 27 wherein said means for removing items is arranged to operate by a pulling action.

30. (Previously presented) A system as claimed in claim 29 comprising a claw arranged to hook over and pull an item off the storage region.

31. (Previously presented) A system as claimed in claim 29 comprising a suction probe arranged to generate a reduced pressure between its end face and a side of the item to allow said item to be pulled off by retracting the probe.

32. (Previously presented) A system as claimed in claim 14 wherein said dispensing means is adapted to be able to remove a plurality of items simultaneously from a single storage region.

33. (Previously presented) A system as claimed in claim 14 wherein the dispensing station comprises a dispensing chute for receiving items which are removed from the storage region at the dispensing station.

34. (Previously presented) A system as claimed in claim 14 adapted to circulate said storage regions only when require.

35. (Previously presented) A system as claimed in claim 34 adapted to halt said circulation when a desired storage region is aligned with a correct dispensing station or loading point.

36. (Previously presented) A system as claimed in claim 14 wherein the stock transfer means is arranged selectively to transfer items between said static storage area and said
circulating storage regions or vice-versa.

37. (Previously presented) A system as claimed in claim 14 adapted to make up an advance order by transferring items required for the order onto the circulating storage apparatus and subsequently dispensing said order.

38. (Currently amended) A method of storing and retrieving a plurality of items of stock using an apparatus comprising an input area, a static storage area and a circulating storage area, said circulating storage area comprising a plurality of storage regions; said method comprising the steps of: making a decision as to whether to load an item of stock into the static storage area or one of the plurality of storage regions, ~~comprising selectively~~ loading ~~each~~ said item of stock from [[an]] said input area ~~either~~ to [[a]] the static storage area or to one of [[a]] the plurality of storage regions according to said decision, wherein said storage regions circulate around a continuous path such that each storage region is periodically brought into alignment with a dispensing station, the method further comprising subsequently retrieving said item of stock by removing it from the storage region at the dispensing station.

39. (Previously presented) A method as claimed in claim 38 comprising pushing said items from said storage regions at the dispensing station.

40. (Previously presented) A method as claimed in claim 38 comprising pulling said items from said storage regions at the dispensing station.

41. (Previously presented) A method as claimed in claim 40 comprising generating a reduced pressure between an end face of a suction probe a side of an item and pulling said item off by retracting the probe.

42. (Previously presented) A method as claimed in claim 38 comprising removing a plurality of items simultaneously from a single storage region.

43. (Previously presented) A method as claimed in claim 38 circulating said storage regions only when required.

44. (Previously presented) A method as claimed in claim 43 comprising circulating the storage regions until a desired storage region is aligned with a correct dispensing station or loading point.

45. (Previously presented) A method, as claimed in claim 38 comprising selectively transferring items between said static storage area and said circulating storage regions or
vice-versa.

46. (Previously presented) A method as claimed in claim 38 comprising making up and advance order by transferring items required for the order onto the circulating storage apparatus and subsequently dispensing said order.